

COMMONWEALTH OF VIRGINIA  
VIRGINIA GAS AND OIL BOARD HEARINGS  
February 21, 2012 MINUTES

Pursuant to Sections 45.1-361.9B and 45.1361.22.B of the Code of Virginia, the Virginia Gas and Oil Board held its scheduled monthly hearing commencing at 9 a.m. on Tuesday, February 21, 2012, at the Russell County Government Conference Center, 139 Highland Drive, Lebanon, Virginia.

Present at the hearing were Butch Lambert, Allen Compton, Bruce Prather, Mary Quillen, Katie Dye and Donnie Ratliff.

Also present were Sharon M. B. Pigeon, Sr. Assistant Attorney General, Rick Cooper, Principal Executive to the Board, Diane Davis, staff to the Board.

1. The board will receive public comments.  
**Public comments were received from Penny Ball. Ms. Ball spoke on ownership of mineral rights.**  
**Katherine Jewell questioned the board about the status of the escrow audit.**
2. The Board on its own motion will receive testimony from CNX Gas Company, LLC and T. Shea Cook, concerning a Final Order of the court concerning Gary Davis, et al vs. CNX Gas Company, LLC and Coal Mountain Mining, LLP for Units Y-32 and Y33. Docket Number VGOB-96-1024-0524 and 07-0318-0573. Continued from November 2011. Continued from January 2012.  
**Mr. Cook asked that this matter be dismissed from the docket.**
3. A petition from CNX Gas Company, LLC for disbursement of funds from escrow regarding Tracts 1 and 2 and authorization for direct payment of royalties to Coal Mountain Mining, CNX, Allie Clowers, Buford Davis, Billy Davis, Joe Davis, Bobby Davis, Gary Davis, Larry Wayne Davis, Unit Y-33, Garden District, Buchanan County, Virginia. Docket Number VGOB-95-1024-0524-01. Continued from January 2012.  
**The petition was approved by the Board with approval of direct payment. The account is to be closed.**
4. A petition from CNX Gas Company, LLC for the disbursement of funds from escrow regarding Tract 4 and authorization for direct payment of royalties for Unit O(-1), Prater District, Buchanan County, Virginia. Docket Number VGOB-07-0821-1984-02.  
**The petition was approved by the Board with approval of direct payment. The account is to be closed.**
5. A petition from CNX Gas Company, LLC for the disbursement from escrow regarding Tracts 15 & 19 and authorization for direct payment of royalties for Unit VP8SGU1. Docket Number 95-1024-0526-04.

The petition was approved by the Board with approval of direct payment. The account is to be closed.

6. A petition from CNX Gas Company, LLC for the disbursement from escrow for a portion of Tracts 1 and 4 and authorization for direct payment of royalties for Unit DD-28, Hurricane District, Buchanan County, Virginia. Docket Number VGOB-01-0918-0921-02.

Rondal Rose and Helen Rose appeared to comment. The petition was approved by the Board with approval of direct payment. The account will remain open.

7. A petition from CNX Gas Company, LLC for the disbursement of funds from escrow regarding Tract 2A and authorization for direct payment of royalties from Unit AX-117, New Garden District, Russell County, Virginia. Docket Number VGOB-03-0715-1159-01.

The petition was approved by the Board with approval of direct payment. The account will remain open.

8. A petition from CNX Gas Company, LLC for the disbursement of funds from escrow regarding Tracts 1, 5B, 8A, 8B, 8C, 8D, 8E, 10B & 11 and authorization for direct payment of royalties from Unit W-9, Buchanan County, Virginia. Docket Number VGOB-97-0121-0562-01.

The petition was approved by the Board with approval of direct payment. The account will remain open.

9. A petition from CMX Gas Company, LLC for the disbursement of funds from escrow regarding Tract 2 and authorization for direct payment of royalties from Unit AX-116, Russell County, Virginia. Docket Number 01-0918-0920-1.

The petition was approved by the Board with approval of direct payment. The account will remain open.

10. The Board on its own motion will hear corrective testimony and receive revised exhibits from CNX Gas Company, LLC for Unit G45 Docket Number VGOB 11-1220-3009.

Revised exhibits were presented to be included with the order presented in December. The Board accepted the revised exhibits and granted approval.

11. A petition from CNX Gas Company, LLC for the creation of a drilling Unit and pooling for conventional gas Unit T2CV, Prater District, Buchanan County, Virginia. Docket Number VGOB-12-0221-3032.

The petition was approved by the Board with escrowing required in Tracts 4A & 4B for unknown/unlocatables.

12. A petition from CNX Gas Company, LLC for the re-pooling of Unit Q-44, Garden District, Buchanan County, Virginia. Docket Number VGOB-00-0321-0780-03.

The petition for re-pooling was approved. The petition was approved by the Board based on mapping changes. The parties get the opportunity to make another election.

13. A petition from CNX Gas Company, LLC for the re-pooling of Unit V-46, Garden/Maiden Districts, Buchanan/Tazewell Counties, Virginia. Docket Number VGOB-98-1020-0690-01.  
The petition was approved by the Board based on mapping changes. The parties get the opportunity to make another election.
14. A petition from CNX Gas Company, LLC for the re-pooling of Unit W-46, Maiden Springs District, Tazewell County, Virginia. Docket Number VGOB-98-1020-0689-01.  
The petition was approved by the Board based on mapping changes. The parties get the opportunity to make another election.
15. A petition from CNX Gas Company, LLC for the re-pooling of Unit BE-119, New Garden District, Russell County, Virginia. Docket Number VGOB-04-1019-1346-01.  
The re-pooling affected by mapping are 1, 2, 4 & 5. These people will have an opportunity to participate in the first well and all parties would have an opportunity to participate in the second well. The petition was approved by the Board.
16. A petition from Range Resources-Pine Mountain Inc. for a well location exception for proposed well V-530325, Kenady District, Dickenson County, Virginia. Docket Number VGOB-12-0221-3033.  
Thurston Dotson and Charlotte Dotson appeared on this petition. The petition was approved by the Board.
17. A petition from Range Resources-Pine Mountain Inc. for a well location exception for proposed well 900007, Rock Lick District, Buchanan County, Virginia. Docket Number VGOB-12-0221-3034.  
The applicant asked that this be continued to March 2012.
18. A petition from Range Resources-Pine Mountain Inc. for a well location exception for proposed 900068, Knox District, Buchanan County, Virginia. Docket Number VGOB-12-0221-3035.  
The petition was approved by the Board.
19. A petition from Range Resources-Pine Mountain Inc. to establish a drilling Unit and pooling of Well Number V-530325, Kenady District, Dickenson County, Virginia. Docket Number VGOB-12-0221-3036.  
The petition was approved by the Board.
20. The Board will receive an update of Board and Division activities from staff.  
Rick Cooper gave an update on the audit anticipating that the staff that was hired by the Board would be done in approximately two months. Staff began with three and at the end of the week, will have one remaining person working on the project.
21. The Board will review the January 2012 minutes for approval.  
The minutes were approved.

The Hearing adjourned at 11:55.

